

REPORT TO THE SHAREHOLDERS

This special report on Great Plains' exploration program in the Canadian North is being issued because of enquiries from shareholders and analysts. Interest in the North has been aroused by the very important discovery of oil at Prudhoe Bay in northern Alaska and by Panarctic Oil's exploration program in the Arctic Islands.

Currently the holdings of the Company in the Yukon, the Northwest Territories and the Arctic Islands total 5,718,000 net acres out of 9,350,000 gross acres.

ARCTIC ISLANDS

Nearly all of the Company's 3,873,000 net acres (4,448,000 gross acres) are covered by an agreement with Panarctic. As part of a \$20 million exploration program, Panarctic has committed to drill four wells on Great Plains properties, and has options to drill an additional seven wells on Company lands. In the first year of the program, seismic and gravity surveys were conducted on Melville Island. After Panarctic completes its exploration commitments, which are at no cost to the Company, our remaining interest in the individual blocks will vary from 40 to 50 percent.

NORTHWEST TERRITORIES

Chick Lake

A major oil company has committed to conduct a seismic program to earn an interest in a portion of Great Plains' 385,000 net acres (398,000 gross acres) in this area. The new partner will pay the full cost of the seismic work and has the option to drill to earn an additional interest.

Mills Lake

Great Plains holds 558,000 net acres out of 2,280,000 gross acres. Drilling is planned after seismic work and geological studies have been completed.

The Company is participating in Operation Geoquest which is concentrated in this general area. Operation Geoquest is an

AR32

industry participation project, being conducted to evaluate the Southern Mackenzie Basin through the application of various geophysical methods.

YUKON TERRITORY

Old Crow

During 1968, Northern Oil Explorers acquired exploration rights on 2,067,000 acres along the Alaska-Yukon border. Great Plains' 40 percent interest in these holdings is 827,000 net acres. Surface geological work was conducted during the past summer and further geological field work and seismic surveys are planned for the 1969 season.

Taylor Lake

Great Plains has a net interest of 65,500 acres in the 131,000-acre block in this area. Following seismic mapping of a structure earlier this year, a drilling rig and supplies were barged down the Mackenzie River to a staging point 150 miles north of Norman Wells. When surface conditions permit, the equipment will be moved overland to the well site. Drilling is expected to begin in December.

On November 18th, the Board of Directors declared a dividend of 40 cents per share payable on January 6, 1969 to shareholders of record on December 6, 1968.

DAVID E. MITCHELL
President

Calgary, Alberta
November 21, 1968

Head Office
736 - 8th Avenue Southwest
Calgary, Alberta



Handwritten signature and initials in yellow ink.

GREAT PLAINS
DEVELOPMENT COMPANY OF CANADA, LTD.

**NORTHERN
EXPLORATION
REPORT**

NOVEMBER, 1968

LAND HOLDINGS IN YUKON, NORTHWEST TERRITORIES AND ARCTIC ISLANDS

COMPANY
LAND HOLDINGS



Panarctic Oils Ltd.
minimum 4 wells on
Great Plains' acreage





PRESS RELEASE

from GREAT PLAINS DEVELOPMENT COMPANY OF CANADA, LTD.
736 - 8TH AVENUE S.W., CALGARY, ALBERTA
TELEPHONE: 269-3101

Release No. 118, 1968

RECORD EARNINGS IN 1967 FOR GREAT PLAINS


CALGARY, February 6 -- Record highs in gross and net income, exploration expenditures and cash generated from operations were disclosed this week in the 1967 annual report of Great Plains Development Company of Canada, Ltd., Calgary.

Net income increased 15 percent in 1967 to \$ 3,274,141 or \$ 1.02 per share. Cash generated from operations was \$ 6,379,547 or \$ 2.00 per share - an increase of 10 percent over the equivalent 1966 figure. In November, a dividend of 40 cents per share was declared, up 14 percent from 1966.

Record gross income of \$ 8,851,815 is attributed in the report to higher volumes and prices for natural gas, gas liquids and sulphur.

Expenditures for oil and gas exploration in 1967 totalled \$ 3.2 million, primarily for land acquisition and geophysical programs in Northern Alberta, South Central Saskatchewan and the Northwest Territories. Land was also acquired and geophysics conducted in Ontario and offshore from the east coast.

The outlook is for an active exploration year for Great Plains in 1968. Winter drilling in the 1967-68 season includes nine wells on land in Northern Alberta. Company exploration for metals will be considerably increased and The International Nickel Co. of Canada will explore on one of Great Plains' properties in the La Ronge mining district of Saskatchewan. Great Plains will participate in the Panarctic Oils Limited industry-government exploration of the Arctic Islands through farmout of its Arctic land to Panarctic.



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PRESS RELEASE

from GREAT PLAINS DEVELOPMENT COMPANY OF CANADA, LTD.

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GREAT PLAINS REPORTS NEW HIGHS IN 1973

Calgary, February 18, 1974 Great Plains Development Company of Canada, Ltd. today reported in its 1973 Annual Report to Shareholders, revenue of \$18.7 million, an increase of \$6.3 million from the 1972 level of \$12.4 million. The revenue gain was derived chiefly from increased gas sales, higher investment income and newly acquired producing properties.

Net earnings were \$6.5 million or \$1.99 per share, as compared to \$4.0 million or \$1.24 per share in 1972. Cash generated from operations amounted to \$11.7 million or \$3.59 per share, as compared to \$8.0 million or \$2.47 per share in 1972. The 1972 net earnings and cash generated figures are restated to reflect a minor amendment resulting from an accounting policy change.

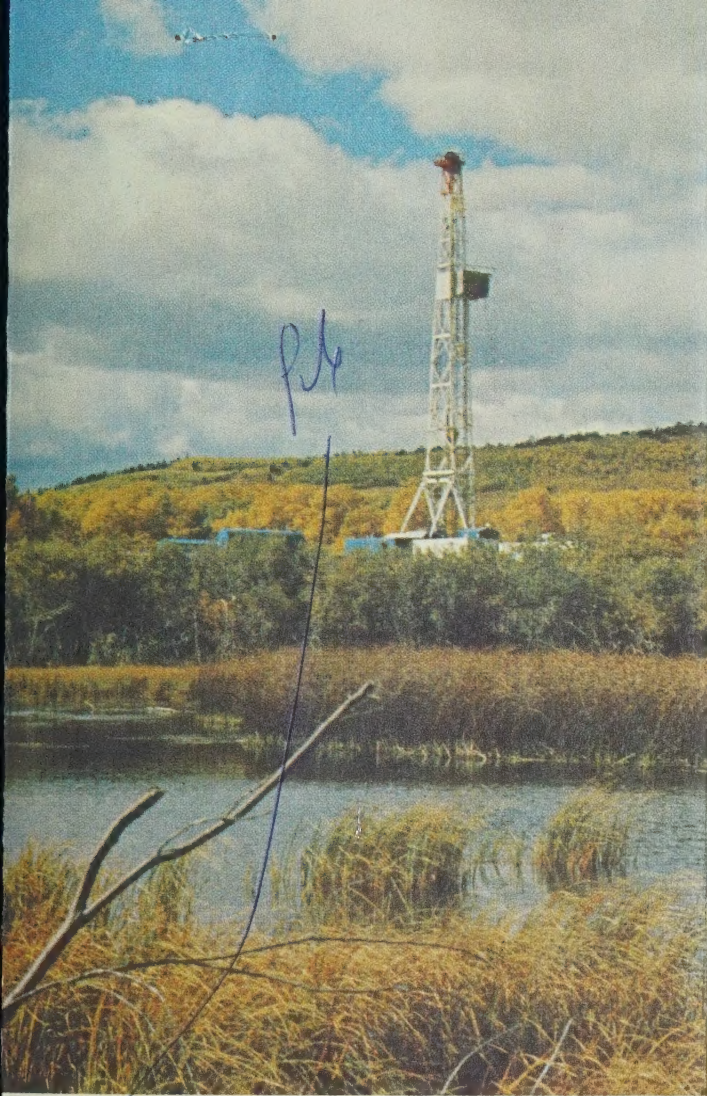
In 1973, Great Plains' petroleum exploration expenditures totalled \$5.8 million, 42 percent more than in 1972. Of this sum, 64 percent was expended in Canada, 24 percent in the United States, and 12 percent in other foreign areas including Panama, Nicaragua, Honduras, Puerto Rico and Fiji.

Great Plains' net production of crude oil and natural gas liquids increased for the sixth consecutive year, averaging 9,721 barrels a day, while natural gas sales increased for the twelfth consecutive year, averaging 43.6 millions of cubic feet per day. During the year, Great Plains received an average price of \$3.33 per barrel for crude oil and gas liquids, and 29 cents per thousand cubic feet for natural gas. In January, 1974, new contracts were negotiated that will double the sales price of Great Plains' gas sold for export to the United States. The price increase will apply to about 75 percent of the gas sales beginning no later than July 1, 1974.

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FOR IMMEDIATE RELEASE

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GREAT PLAINS

DEVELOPMENT COMPANY OF CANADA, LTD.

INTERIM REPORT • JUNE 30, 1970

TO THE SHAREHOLDERS:

FINANCIAL

During the first half of 1970, net earnings, cash generated from operations and revenue were at record levels.

Net earnings, after provision for deferred income taxes, were \$2,145,000 or 67 cents a share, an increase of 16 percent over earnings in the same period of last year. Cash generated from operations was \$3,856,000 or \$1.21 per share, 14 percent higher than the first half of 1969. Revenue totalled \$5,312,000, up 12 percent due to greater investment income and increased oil and gas sales.

At mid-year the Company had working capital of \$6,721,000.

The Harmattan gas sales contract contains a renegotiation provision exercisable at Great Plain's option. Under this provision the Company has elected to receive an interest-free loan as a single payment in 1970, rather than as separate payments over the next several years. The loan totals \$3,360,000, of which \$792,000 has already been received and \$2,568,000 will be received in the near future. This loan is repayable out of revenue from gas sales when deliveries begin later in the 1970's.

A dividend of 40 cents per share was paid on January 5, 1970, to shareholders of record December 5, 1969. Canadian shareholders are entitled to claim a full 20 percent depletion allowance on this dividend.

PRODUCTION

Crude oil and natural gas liquid production increased to 8,800 barrels a day, up 430 barrels a day from the same period of last year. Natural gas sales increased by 4 percent to an average of 28 million cubic feet a day.

Sulphur production was 9,050 long tons, up 9 percent from the first 6 months of 1969. Sulphur sales during the period totalled 6,200 long tons, a slight decrease from last year. Revenue from sulphur continued to decline due to weakening prices.

The Cold Lake thermal recovery experimental project is now in the final stages of evaluation. Although operations have proved that this heavy oil can be produced through thermal stimulation, the outlook is for termination of the project because of currently unattractive economics.

CONSOLIDATED STATEMENT OF EARNINGS

	For the Six Months Ended June 30	
	1970	1969
REVENUE		
Production	\$4,905,000	\$4,707,000
Interest, dividends and other	407,000	26,000
	<u>5,312,000</u>	<u>4,733,000</u>
EXPENSE		
Operating	1,204,000	1,097,000
General and administrative	97,000	92,000
Interest	155,000	174,000
	<u>1,456,000</u>	<u>1,363,000</u>
CASH GENERATED FROM OPERATIONS	3,856,000	3,370,000
Depletion and depreciation	<u>1,333,000</u>	<u>1,208,000</u>
NET EARNINGS BEFORE PROVISION FOR DEFERRED INCOME TAXES	2,523,000	2,162,000
Provision for deferred income taxes	378,000	324,000
NET EARNINGS	<u>\$2,145,000</u>	<u>\$1,838,000</u>
SHARES OUTSTANDING AT JUNE 30	3,196,914	3,195,614
NET EARNINGS PER SHARE	67¢	58¢
CASH GENERATED PER SHARE	\$1.21	\$1.05

All amounts shown are unaudited.

CONSOLIDATED STATEMENT OF SOURCE AND USE OF FUNDS

	For the Six Months Ended June 30	
	1970	1969
FUNDS WERE OBTAINED FROM:		
Revenue	\$5,312,000	\$4,733,000
Less: Operating, general and administrative and interest expenses	1,456,000	1,363,000
Cash generated from operations	3,856,000	3,370,000
Increase in long-term debt	280,000	1,000,000
Issuance of capital stock	18,000	12,000
Sale of property interests	23,000	237,000
Working capital	253,000	1,435,000
Miscellaneous	122,000	(220,000)
	<u>\$4,552,000</u>	<u>\$5,834,000</u>
FUNDS WERE USED FOR:		
Exploration and development	4,156,000	4,962,000
Reduction of long-term debt	396,000	872,000
	<u>\$4,552,000</u>	<u>\$5,834,000</u>

OPERATIONS

OIL AND GAS LIQUIDS, net barrels	1,593,000	1,515,000
Daily average	8,800	8,370
GAS, net millions of cubic feet	4,970	4,791
Daily average	28	26
SULPHUR PRODUCTION, net long tons	9,050	8,300
OIL AND GAS LAND HOLDINGS, net acres	6,357,000	7,306,000

All amounts shown are unaudited.

EXPLORATION

Oil and Gas

During the first half of the year, Great Plains participated in 30 exploratory wells located in Alberta, British Columbia, the Northwest Territories and Manitoba.

Seismic and gravity surveys were conducted or acquired covering 1,200 line miles in the key areas of Old Crow and Mills Lake in the Yukon and Northwest Territories, Weald in the central Alberta foothills and Gaspé in Quebec.

An extensive land acquisition was made in the Gaspé area of Quebec. The new acreage includes options and rights on approximately 3 million gross acres of exploratory licenses extending 350 miles along the south shore of the St. Lawrence River from Plessisville, south of Quebec City, to St. Yvonne, a village on the Gaspé Peninsula.

During the balance of the year exploratory wells will be drilled in several areas, including Beaver in the southern Alberta foothills; James River near the Strachan-Ricinus gas area; Beiseker and Balzac in central Alberta and at Climax in southwestern Saskatchewan. Drilling is also expected to begin late in 1970 on the Company's Arctic Island acreage farmed out to Panarctic Oils.

Mining

Geochemical and geophysical reconnaissance programs are being conducted on ground held in central and northern British Columbia. A drilling program is also in progress on properties in southern British Columbia.

In Saskatchewan, crews totalling 25 men comprised of geologists, geophysicists and prospectors, are working on uranium and copper prospects. Great Plains has 6 years in which to evaluate its uranium properties as its holdings were acquired prior to the government's announced restrictions on uranium ownership. Any commercial discovery made in that period will be exempt from the new ownership regulations as long as the properties are retained by the Company.

DAVID E. MITCHELL
President

Calgary, Alberta
July 17, 1970

Head Office

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